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Claims after Claim 26 are misnumbered. <u>Inventor acknowledges the Examiner's</u>
renumbering of the claims from two claims numbered 26 to second claim is renumbered as 27
and its successors are renumbered from 27-29 to 28-30.

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Claim Rejections Responses

Claims 13 and 17

organization with corporate governance responsibility.

Claim 13 b) Inventor corrects "registrating" and changes to the word "registering". Registering "includes providing contact information and other information of varying forms and type deemed relevant by the organization". Each organization has required information unique to their corporate governance. The criteria for relevance are determined by those in each

Claim 17 The method step of notifying only authorized suppliers allows authorized suppliers additional and separate communication from other potential suppliers.

Claims 7 and 22 Time period is changed to period of time, which is a method step, in which potential suppliers "who have bid" are able at defined points in time to perform specific actions on the bid "to alter or withdraw their bid".

Responses to Claim Rejections – 35 USC 103

With respect to Claims 1-7, 10-22, 25-26 and 28-29 the methods are not identical to US 5,758,328 Giovannoli or US 6,161,099 Harrington. The similarity is in the method of conducting over electronic networks or the use of a computerized system. The Giovannoli Patent at Col 1 lines 3-4 is specifically directed to "processing requests for quotation for goods" and/or services" The Harrington Patent is specifically directed to an electronic auctioning of municipal bonds at Col 6 lines 10 – 19. The buyers are restricted to Banks and NASD registered Broker dealers. In Giovannoli, Col 2, lines 40-47, Harrington, Col 4. lines , 34-43

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and Hambrecht US 6,629,082 B1, Col 3, lines 20-27 the systems provide for a buying process for external prospective purchasers. Hambrecht at Col 3, lines 30-35 discusses "In order to participate in any given offering investors must be registered with a designated Underwriter". The auction system is restricted to this class of investor/buyer.

With respect to Claims 12-22, 25-26 and 28-29 there is a significant difference in the restricted auction systems and the Inventor's method and system, Col 1 [002] "The present system relates to a method and system for administrative action and decision-making.

Giovannoli and Harrington do not contain requisitioning or a process of revising and withdrawing bids. The process of revising and withdrawing bids involves distinctly different issues than those associated with restricted auction systems. The systems do not allow for the awarding of one or more products or services at a single bid. The systems do not integrate into an existing organizations formal purchasing/procurement process. None of the systems discussed above are an integrated whole system or method to purchase or procure.

The Giovannoli, Harrington, and Hambrecht methods and systems do not address the need in complex organizations of simultaneously awarding to one more service providers. These systems do not allow the simultaneous awarding of services and products to one or more services providers. These patents do not allow the awarding of services and products during the same bid process.

With respect to Claim 20 "d) providing by the prospective supplier particular information regarding the service or product the prospective supplier proposes to fulfill an award of the bid". Buyers are internal in the Inventor's system and are able to functionally move away from price-only to multiattribute bidding that allow suppliers and buyers to trade off

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nonprice variables against price. The Inventor's system contains method steps that respond to the need for more sophisticated online bidding with tools that allow buyers to conduct and evaluate bids on multiple variables. This process is unique and allows the bidding process to meet best practices and "statutory public bidding requirements. In the systems discussed above the buyers are external. The *Giovannoli*, *Harrington*, and *Hambrecht* methods do not address the need for more than "price" of bid, of quote, or buy as an award consideration.

With respect to Claims 1-7, 10-22, 25-26 and 28-29 additionally, the inventor's Automated Bidding Process and System "provides a product and procurement system and process that can be used by a wide variety of organizations ranging from for profit business to public and quasi-public organizations", Summary [0008]

The *Giovannoli*, *Harrington*, and *Hambrecht* methods are only applicable to private sector or commercial bidding.

With respect to Claim 23 "The method of claim 12 including the further step of saving in a locked format: a) all posted requisitions, 2) all modifications or changes to said requisitions, 3) all bids made and 4) the bid to which the requisition was awarded" the above discussed systems do not meet the best practices and bid protocol that will permit public sector municipal and government bidding.

With Respect to Claim 26 the above mentioned electronic trading or auctioning systems do not address the needs of a public sector organization to maintain roles and classifications of individuals with specific levels of authority, the inventor's system and method specifically addresses the need for classification and roles. "wherein said bid protocol also provides for the classification of individuals within the organization using the system as buyers

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who prepare the requisitions for the bid process, business administrators with authority to appoint buyers and authorize suppliers to register so they can bid on requisitions, systems managers to manage technical aspects of the entire system and purchasing directors who have access to all requisitions and authority to appoint buyers and authorize suppliers to register so they can bid on requisitions.

Summary [0008]

It is an objective of the present invention to provide in an integrated, effective, efficient fraud free, waste free and timely manner a product and service procurement system and process.

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